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Terry Goddard, Steve Owens Announce \$165,000 Environmental Settlement

(Phoenix, Ariz. – April 2, 2008) Attorney General Terry Goddard and Arizona Department of Environmental Quality Director Steve Owens today announced that Universal Propulsion Company (UPCO), headquartered in North Carolina, will pay \$165,000 under a consent judgment to resolve 17 counts of violations of air quality and hazardous waste laws.

According to court documents, the UPCO North Phoenix facility allegedly broke hazardous waste requirements with its actions relating to an explosion at the facility in 2002. The State also alleged that UPCO failed to comply with hazardous waste management and storage requirements, obligations in its air quality permit and air quality open burning regulations between 2002 and 2006.

The settlement requires that UPCO pay a penalty of \$140,000 to the State and an additional \$25,000 that will fund the Air Quality Flag Program administered by Phoenix Children's Hospital. This program monitors and informs the public about daily air quality that may impact health.

"Companies that work with dangerous materials and hazardous wastes have a special obligation to the public," Goddard said. "Failure to follow the law can have disastrous results, endangering our citizens and the environment."

"We are committed to ensuring that UPCO's operations do not pose a risk to residents in the area as long as it continues to operate there," Owens said. "This penalty reflects the serious nature of the violations at this facility."

The settlement, in the form of a consent judgment, is subject to court approval. Assistant Attorney General Joseph Mikitish handled this case.

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